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UNITED STATES DEPARTMENT OF AGRICULTURE  
War Food Administration

Washington, August 4, 1944

1944 Cotton Loan Program

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The War Food Administration through the Commodity Credit Corporation will make loans on 1944 crop cotton. The average loan rate for 7/8 inch Middling cotton gross weight, will be 19.50 cents per pound, which is 92.5 percent of the parity price of cotton as of August 1, 1944. The parity price on August 1 was 21.08 cents per pound, gross weight. Last year the average loan rate (90 percent of parity) for 7/8 inch Middling cotton, gross weight, was 18.41 cents per pound.

Premiums and discounts for grade and staple in the 1944 program will be calculated in relation to the loan rate on 15/16 inch Middling cotton. The average rate for 15/16 inch Middling cotton will be 105 points (1.05 cents per pound) above the average rate for 7/8 inch Middling cotton. As in previous programs, the loan rate will apply to the net weight of the cotton. The net weight loan rate will be 85 points above that for gross weight to compensate for the lesser number of pounds on which the loan is made. The average loan rate for 15/16 inch Middling cotton, net weight, will be 21.40 cents per pound. The schedule of premiums and discounts for grade and staple applicable in the 1944 loan program was issued by the War Food Administration on March 3, 1944.

The loan rates will vary according to location. The rate for 15/16 inch Middling cotton, net weight, will vary from a high of 21.94 cents per pound in the concentrated mill area of the Carolinas to 20.73 cents per pound in Arizona and California.

Location differentials for warehouse points will be based on freight rates to the mill area of the Carolinas, except in eastern Mississippi, eastern Tennessee, Virginia, North Carolina, South Carolina, Georgia, Florida, and Alabama where a zone system will be in effect. The accompanying schedule defines the mill area and shows the variation in loan rates by counties for the zoned area.

Loans will be made directly by the CCC or through lending agencies, principally banks, approved by the Corporation. Requests for approval as lending agencies should be directed to Commodity Credit Corporation, Regional Office, New Orleans, Louisiana.

The State and county Agricultural Adjustment Agency committees in the various States will designate persons as clerks to assist producers in preparing and executing loan papers. Bona fide employees of Production Credit Associations chartered by the Farm Credit Administration, of banks approved by CCC as lending agencies, and of warehouses approved for the storage of loan cotton, and county AAA officers will be designated as clerks. In addition, employees of other groups, such as cotton factors, ginner, cotton buyers, or others who have adequate facilities to perform the services required of a clerk, may be approved upon the recommendation of the county committee to the State AAA committee.

Cotton Producers' notes will bear interest at the rate of 3 percent per annum and will mature July 31, 1945, but will be callable on demand. Loans will be available until May 1, 1945.

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Loans will be made on cotton represented by warehouse receipts issued by warehouses approved by CCC and on farm-stored cotton secured by chattel mortgages. Cotton to be eligible for the loan must be classed by a Board of Cotton Examiners of the War Food Administration.

Producer eligibility requirements are defined in the cotton loan instructions.

Loan forms are being made available through approved cotton warehouses and the county agricultural conservation committees.

SCHEDULE SHOWING MILL AREA AND VARIATION IN  
LOAN RATES FOR THE ZONED AREAS

1. DESIGNATED MILL AREA

North Carolina: All counties west of Granville, Wake, Harnett, Hoke, and Scotland.

South Carolina: All counties west of Marlboro, Darlington, Lee, Sumter, Calhoun, Orangeburg, and Barnwell.

11. ZONED AREAS BASED ON MILL AREA:

Area 5 Points Less Than Mill Area:

North Carolina: All counties east of Person, Durham, Chatham, Lee, Moore, and Richmond.

South Carolina: All counties east of Chesterfield, Kershaw, Richland, Lexington, and Aikin.

Virginia: All counties.

Area 9 Points Less Than Mill Area:

Georgia: All counties east of Union, Lumpkin, Dawson, Forsythe, Gwinnett, Walton, Morgan, Putnam, Hancock, Glascock, Jefferson, and Burke.

Area 14 Points Less Than Mill Area:

Georgia: All counties, except Dade and counties in zone with 9 points less than mill area, north of Stewart, Webster, Sumter, Dooley, Wilcox, Telfair, Wheeler, Montgomery, Toombs, Tattnall, Evans, and Bryan.

Area 19 Points Less Than Mill Area:

Georgia: All counties south of Chattahoochee, Marion, Schley, Macon, Houston, Pulaski, Dodge, Laurens, Treutlen, Emanuel, Candler, Bullock, Effingham, and Chatham, and north of Quitman, Randolph, Calhoun, Baker, Mitchell, Colquitt, Cook, Berrien, Atkinson, Ware, Pierce, Brantley, and Glynn.

Area 22 Points Less Than Mill Area:

Tennessee: All counties east of Marion, Sequatchie, Bledsoe, Cumberland, Morgan, and Scott.



Georgia: County of Dade. 512262

Alabama: All counties east of De Kalb, Marshall, Blount, St. Clair, Shelby, Coosa, Elmore, Macon, Bullock, and Barbour.

Area 24 Points Less Than Mill Area:

Georgia: All counties south of Stewart, Webster, Terrell, Dougherty, Worth Tift, Irwin, Coffee, Bacon, Appling, Wayne, and McIntosh.

Florida: All counties east of Jackson, Liberty, and Franklin.

Area 27 Points Less Than Mill Area:

Tennessee: Counties of Marion, Sequatchie, Grundy, Bledsoe and Cumberland.

Alabama: Counties of De Kalb, Marshall, Blount, St. Clair, Shelby, Coosa, Elmore, Macon, Bullock, and Barbour.

Area 32 Points Less Than Mill Area:

Tennessee: Counties of Franklin, Coffee, Warren, Van Buren, White, Putnam, and Overton.

Alabama: Counties of Madison, Jackson, Morgan, Cullman, Jefferson, Bibb, Chilton, Autauga, Montgomery, Pike, Coffee, Dale, Henry, Geneva, and Houston.

Florida: Counties of Bay, Calhoun, Gulf, Holmes, Jackson, Washington, Liberty and Franklin.

Area 37 Points Less Than Mill Area:

Tennessee: Counties of Lincoln, Giles, Moore, Bedford, Marshall, Rutherford, Cannon, De Kalb, and Wilson.

Alabama: Counties of Limestone, Lawrence, Winston, Walker, Fayette, Tuscaloosa, Hale, Perry, Dallas, Lowndes, Butler, Crenshaw, and Covington.

Florida: County of Walton.

Area 42 Points Less Than Mill Area:

Tennessee: Counties of Lawrence, Wayne, Lewis, Perry, Hickman, Humphreys, Dickson, Davidson, Williamson, and Maury.

Alabama: Counties of Lauderdale, Colbert, Franklin, Marion, Lamar, Pickens, Greene, Sumter, Marengo, Choctaw, Wilcox, Monroe, Clarke, Washington, Mobile, Baldwin, Escambia, and Conecuh.

Florida: Counties of Akalsosa, Santa Rosa, and Escambia.

Area 47 Points Less Than Mill Area:

Tennessee: Counties of Hardin, Decatur, Benton, and Stewart.

Mississippi: Counties of Tishomingo, Itawamba, Monroe, Lowndes, Noxubee, Kemper, Lauderdale, Clarke, Wayne, Greene, George, and Jackson.

Area 52 Points Less Than Mill Area:

Mississippi: Counties of Alcorn, Prentiss, Lee, Chickasaw, Clay, Oktibbeha, Winston, Neshoba, Newton, Jasper, Jones, Perry, Forrest, Stone, and Harrison.

